

Southwestern Bell Telephone

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

June 16, 1992

Richard C. Hartgrove
General Attorney

Mr. William A. Blase
Director-Federal Regulatory
Southwestern Bell Corporation
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Dear Bill:

Re: Reply of Southwestern Bell Telephone Company,
CC Docket No. 92-77

Enclosed please find an original and five (5) copies of the above-referenced pleading to be filed with the Secretary of the Commission on Wednesday, June 17, 1992. Also enclosed is a copy of the pleading to be filed-stamped and returned to me.

Additional copies of the pleading are attached to be used as the courtesy copies and one is included for your files.

Please call to confirm that the pleading has been filed. Thank you for your assistance.

Very truly yours,

Richard C. Hartgrove

Enclosure

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

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JUN 17 1992

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Billed Party Preference
for 0+ InterLATA Calls

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CC Docket No. 92-77

REPLY OF SOUTHWESTERN BELL TELEPHONE COMPANY

Southwestern Bell Telephone Company (SWBT) submits this Reply in response to comments filed in the above-referenced proceeding, which seeks comment on whether, prior to implementation of Billed Party Preference (BPP), the Commission should prohibit Operator Service Providers (OSPs) from accepting 0+ calls made with proprietary cards.

I. INTRODUCTION

SWBT is opposed to "0+ public domain."¹ Moreover, no commentor has raised any points which cause SWBT to change its mind. SWBT does, however, wish to correct certain misstatements of fact.

II. 0+ PUBLIC DOMAIN IS NOT A LOGICAL TRANSITION TO BPP

MCI states: "There are a number of benefits in establishing 0+ dialing as public domain access. First, placing 0+ in the public domain now will establish a logical transition to BPP, under which callers will utilize 0+ as the dialing pattern to

¹The Commission seeks comment on the merits of requiring, for example, AT&T either to: (1) share the billing and validation information for its CIID and 891 cards, or (2) restrict the use of its cards to access code dialing. In this Reply, SWBT uses the term "0+ public domain" to describe both.

access all carriers."² However, if AT&T were to respond to 0+ Public Domain as SWBT believes AT&T would respond, implementation of 0+ public domain would be an illogical transition to BPP. If 0+ Public Domain is implemented, AT&T has indicated that it will protect its card investments by instructing its customers to dial 10288+0. Given the period of time which might exist between implementation of 0+ Public Domain and implementation of BPP (assuming successful resolution of the technical impediments described below), customers would become more accustomed to such codes. It would be difficult to redirect customers to use of 0+. Contrary to the claims of MCI that 0+ Public Domain "should have no impact on the cost of BPP or otherwise affect its implementation,"³ the resulting potential loss in demand for 0+ BPP calls from implementation of 0+ Public Domain could have a definite impact on the rates for the service. At the most, 0+ Public Domain is a transition only for the network access code (i.e., 0+) that is expected to be used with BPP. 0+ Public Domain is not a transition to the concept of the billed party determining the carrier for transport. In fact, it is just the opposite.

III. 0+ PUBLIC DOMAIN CANNOT BE IMPLEMENTED IMMEDIATELY, IF AT ALL.

MCI also contends that 0+ Public Domain "is capable of being implemented immediately by all carriers."⁴ MCI also states

² MCI, p. 2.

³ Id., p. 5.

⁴ Id., p. 4.

that "IXCs would be able to distinguish between proprietary and non-proprietary cards because the former would use a proprietary access code."⁵ Neither is true. Aside from the business and implementation issues aptly described by Sprint Communications Company in its Comments,⁶ there is at least one major technical issue which prevents implementation of 0+ Public Domain. MCI chose either to ignore this barrier, or is not familiar with the issue. Simply put, the technology required for implementation of 0+ Public Domain is not available. The required signaling technology for implementation of this "solution" is a component required for implementation of BPP, and it is not expected to be available before the other required technology components needed for BPP are also available.

This "solution" would require specially designed Signaling System Seven (SS7)--between LEC end-offices and IXC operator service switches--for processing of operator services calls. Such signaling would be necessary so that IXCs can know how the customer dialed the call (i.e., 0+ vs. access code). Unless this intelligence were passed to the IXCs, all 0+ interLATA calls would have to be blocked at the end office, which would disadvantage callers which chose not to bill their calls to a proprietary IXC calling card. Since such special SS7 technology is not available, this "solution" would also require those placing collect, third number or LEC calling card calls to dial access

⁵ Id.

⁶ Sprint, p. 14.

codes, which is clearly not in the interest of consumers.

IV. CALLERS WOULD CONTINUE TO ATTEMPT USE OF 0+.

U.S. Long Distance, Inc. (USLD) seeks to minimize the need for the technology required for IXC's to know how a customer dialed a particular call (i.e., 0+ vs. access code) by stating that, if 0+ Public Domain were implemented, no 0+ calls "would be attempted."⁷ USLD seems to believe that customers are like sheep - one can simply direct them to do something and they will follow without failure. SWBT's customer experience with other network code transitions is entirely different. Customers will first do what is most familiar (i.e., dial 0+); second, what is most convenient (i.e., dial 0+); and last, what has been instructed. Screening or blocking would be the only effective means to insure that IXC's did not process calls dialed 0+, since customers most certainly will continue to use 0+ to a significant degree unless the networks prevent them from doing so.

V. LECS DO NOT POSSESS THE REQUISITE IXC-PROPRIETARY-CARD ACCOUNT-NUMBER TO BILLING-TELEPHONE-NUMBER TRANSLATION INFORMATION.

One of the requirements for implementation of 0+ Public Domain would be the need for competitive Operator Service Providers (OSPs) to have access to proprietary Interexchange Carrier (IXC) customer information. Calls made with proprietary IXC cards must be "mapped" or translated to a customer telephone number for

⁷ USLD, p. 9.

billing. Several commentators⁸ suggest that this barrier could be overcome by AT&T's making available its proprietary customer information to LECs which could perform the necessary CIID number to Billing Telephone Number translation function required to allow these IXCs to bill the CIID card numbers.

But the LECs do not have this information, and SWBT believes that AT&T would be unwilling to provide it. AT&T has successfully resisted making this information available to facilitate and/or continue service arrangements that are less damaging to AT&T than the issue at hand. SWBT assumes that AT&T would maintain the same posture with regard to 0+ public domain.

VI. LECS SHOULD NOT BE REQUIRED TO DENY AT&T'S CARD.

APCC argues: "The Commission should require AT&T either to make validation of CIID cards available to all OSPs or to validate its CIID cards only for itself."⁹ APCC further states: "What AT&T may not do is validate its card for 0+ calls that reach the networks of the other dominant carrier, i.e., LECs, while refusing to do the same for nondominant competitors."¹⁰ APCC assumes that AT&T and the LECs are competitors, just like AT&T and other IXCs are competitors.

AT&T and the LECs are not competitors in the 0+ market. SWBT is not permitted under the MFJ to provide interLATA services,

⁸ ITI, p. 24; LDDS, p. 7; CompTel, p. 3.

⁹ APCC, p. 12.

¹⁰ Id.

and likewise, AT&T has not been granted intraLATA presubscription authority in any of SWBT's states. IntraLATA competition on an access code basis is presently the only form of competition which exists between AT&T and SWBT. Additionally, the MFJ Court has previously rejected the idea that LECs be required to block AT&T's cards. "The public has long been accustomed to the advantages of 0+ dialing without the use of access codes, and the decree expressly requires that this beneficial public convenience continue."¹¹ The Commission should find the same.

VII. BPP WILL REQUIRE IXCS TO REISSUE CARDS THAT ARE NOT IN USABLE FORMATS.

Sprint takes issue with IXCs having to reissue their cards.¹² SWBT agrees with Sprint that IXCs should not have to reissue cards for implementation of 0+ Public Domain. However, IXCs will need to reissue their proprietary cards that are not in either CIID or 891 formats, if such cards are to be usable on a 0+ basis with BPP. Certainly, Sprint and other IXCs which support BPP should be willing to reissue their cards to gain the benefits of BPP. Otherwise, the convenience and other benefits of BPP will not be extended to the public -- one of the primary consumer reasons for deploying BPP.

¹¹ *U.S. v. Western Electric Co.*, 698 F.Supp., 348, 362-63 (D.D.C. 1988).

¹² **Sprint, p. 9.**


VIII. CONCLUSION

The Commission should not order the implementation of 0+
Public Domain.

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE COMPANY

By

A handwritten signature in dark ink, appearing to read "Paul Walters", is written over a horizontal line.

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June 17, 1992

CERTIFICATE OF SERVICE

I, Liz Jensen, hereby certify that the foregoing Reply of Southwestern Bell Telephone Company in Docket 92-77 has been served this 17th day of June, 1992 to the Parties of Record.

Liz Jensen
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June 17, 1992

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